



# NEWS RELEASE

Louisiana House of Representatives

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## **HOUSE OF REPRESENTATIVES SESSION RECAP**

BATON ROUGE, La. - Speaker of the House Clay Schexnayder and House leaders agree the final minutes of the 2023 Legislative Session were hectic, but say they instead want to focus on the historic budgetary success accomplished only 8 years after facing significant state deficits.

As a result of sound budgeting, smart spending, thinking ahead, and a focus on fiscally conservative values, the Legislature passed a \$44 billion operating budget for the 2023-24 year starting July 1<sup>st</sup>.

“This is the culmination of conservative budgeting and lawmaking,” said Speaker Schexnayder. “When this group of lawmakers passed the revenue stabilization fund in 2018 after suffering deficit after deficit, people laughed at us. Today, we have more than \$1.7 billion in our revenue stabilization account, more than \$900 million in the rainy day fund (the largest amount since its inception), and approximately \$70 million in the capital outlay savings account. Louisiana has a sound financial future with resources to encourage investment and the capability to sustain us through unforeseen events in the future. That’s progress. That’s delivering on our promise to taxpayers. That’s something to be proud of.”

More than \$2.2 billion in short-term cash acquired through excess and surplus collections will flow to priority infrastructure projects including roads, bridges, coastal projects and sewer/water system repairs. Additionally, two of the state’s largest retirement systems will receive the biggest, one-time infusion of money to pay off pension debt in the state’s history (\$680 million total).

In terms of education investments, lawmakers included \$198 million in the budget to support a \$2,000 pay raise for teachers and a \$1,000 increase for support workers including classroom aids and cafeteria workers. Meanwhile, House Resolution 297 directs the Board of Elementary and Secondary Education (BESE) to place the pay increase into the Minimum Foundation Plan (MFP) next year, making it permanent and recurring. A similar approach was taken in 2013 with teacher pay raises rolling into future budgets without issue.

The legislature also set aside \$25 million for targeted raises for high-need educators in areas such as math and science and found \$44 million to be directed to early childhood education initiatives.

Additionally, higher education saw significant financial support with more than \$180 million sent to the Board of Regents to cover faculty salaries, need-based financial aid and expansion of allied health and nursing programs across the state.

The Public Affairs Research Council commentary released last week praised the work of both chambers saying, "...they continued this terms' trend of making significant investments in the state's multibillion-dollar backlog of infrastructure needs and used some recurring state dollars to pay for one-time items rather than simply growing the budget."

Another summary of the session offered by the Council for a Better Louisiana stated, "...lawmakers did make historic investments in road and bridge projects, coastal restoration, and other initiatives and paid down an unprecedented amount of pension system debt. Together, these can have a tremendous and positive impact on the state's future."

When asked about the final minutes of the session and the limited time available to review the budget before voting, Speaker Schexnayder reminded members that an earlier vote on Senate Concurrent Resolution 3 (SCR 3) failed, despite strong warnings that a "no" vote would delay final budget documents being available for review on the last day of session.

"The House should have had more time to review the budget details and we could have had more time if more members had supported raising the expenditure cap earlier in the process," said Schexnayder. "The process is sometimes hectic. It's unfortunate, but it's not unusual."

**INVESTMENTS WITH SHORT-TERM CASH**

Road and Bridge Work	\$450M
Rainy Day Fund	\$182M
Coastal Protection	\$147M
Water/Sewer System Upgrades	\$50M
Roof Fortification Program	\$30M
Property Insurers Incentives	\$10M

**EDUCATION INCREASES**

Pay hikes for K-12 teachers, support staff	\$198M
Pay hikes for K-12 teachers in high-need areas	\$25M
College faculty and staff pay raises	\$37M
Go Grant need-based aid for college students	\$15M
State spending on early childhood education	\$44M

SOURCE: PAR Louisiana